

Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version:	CCS HB 49
Fiscal Note Number:	42
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Identifier: HB49CCS-DOC-PCC-05-17-19
Title: CRIMES; SENTENCING;DRUGS;THEFT;
REPORTS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: Conference Committee

Department: Department of Corrections
Appropriation: Population Management
Allocation: Palmer Correctional Center
OMB Component Number: 712

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2020 Appropriation Requested	Included in Governor's FY2020 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Personal Services							
Travel							
Services	2,323.5						
Commodities	3,742.5						
Capital Outlay							
Grants & Benefits							
Miscellaneous	10,603.1		14,137.4	14,137.4	14,137.4	14,137.4	14,137.4
Total Operating	16,669.1	0.0	14,137.4	14,137.4	14,137.4	14,137.4	14,137.4

Fund Source (Operating Only)

1004 Gen Fund (UGF)	16,669.1		14,137.4	14,137.4	14,137.4	14,137.4	14,137.4
Total	16,669.1	0.0	14,137.4	14,137.4	14,137.4	14,137.4	14,137.4

Positions

Full-time	104.0		104.0	104.0	104.0	104.0	104.0
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2020) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No
If yes, by what date are the regulations to be adopted, amended or repealed?

Why this fiscal note differs from previous version/comments:

Updated to reflect changes made in conference committee. Based on the request of the Legislature, the year one misc. costs have been reduced by 25 percent to allow for a phase in of Palmer Correctional Center. The analysis still reflects the initial calculations of number of inmates. Based on the 2.13.19 Governor's FY2020 request.

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FISCAL NOTE ANALYSIS

STATE OF ALASKA
2019 LEGISLATIVE SESSION

Analysis

This bill increases the number of inmates to a level that exceeds the system's capacity. The current general capacity of the department's institutions is 4,664 inmates. The department averaged 4,314 inmates during the CY2018 thus leaving the system with additional capacity for 350 additional inmates. The department projects that this bill will increase the number of inmates beyond current capacity by 392.0 inmates in the first year, 699.8 inmates in the second year, 760.3 inmates in the third year, 761.6 inmates the fourth year, 767.2 inmates the fifth year, and 770.1 inmates the sixth year. If the department's projections are correct, it will need to reopen the currently-shuttered Palmer Correctional Center (PCC) in order to have the capacity to accommodate the projected increase in inmates. The general capacity of the Palmer Correctional Center is 503 inmates.

The Palmer Correctional Center closed in the fall on 2016. After being vacant for two and half years, the facility requires some work in order to house inmates. Additionally, useful equipment and furnishings were repurposed elsewhere in the department. The costs associated with re-opening the facility are one-time expenses for preparation of the facility and replacement of equipment.

Commodities include items such as radios, logbooks, prisoner transport vans, perimeter patrol vehicles, handcuffs, firearms and ammunition, breathalyzer, maintenance forklift, computers, printers, laundry and lawn care equipment, office furniture, staff uniforms, cleaning equipment, and fire extinguishers. Medical equipment also needs to be replaced such as exam tables, EKG machine, AED machine, vital sign machine, lab draw chairs, and smaller items like stethoscopes, and bio-hazard trash cans. Dental equipment required includes items such as a dental chair, dental light, cavitron, autoclave, and dental camera as well as smaller items.

Services include fire sprinkler/alarm inspection and repair (if needed), fence alarm testing and repair (if needed), back flow preventer inspection and repair (if needed), water testing and Department of Environmental Conservation approval to operate, waste water operator training/certification, phone system activation and programming, boiler inspection and service, freezer/cooler inspection and startup, kitchen hood inspection, and other smaller services.

The costs in the miscellaneous line represent the FY2015 management plan figure of \$13,180.4 to operate PCC, adjusted for inflation using the Bureau of Labor Statistics Consumer Price Index (CPI). This yields a projected cost to operate all of PCC today of \$14,137.4 and requiring 104 PCNs. The FY2015 management plan cost to operate PCC did not include the full cost to operate the facility; it doesn't reflect costs for utilities, health care, the Correctional Academy, and transportation, among other additional costs. Thus, these costs are reflected in accompanying fiscal notes.